



**MARMOTA ENERGY
LIMITED**

ABN 38 119 270 816

**Exploration Office
11A Croydon Rd
Keswick SA 5035**

**Tel +61 8 8375 4300
Fax +61 8 8375 3999**

www.marmotaenergy.com.au

29 May 2008
Company Announcements Office
Australian Stock Exchange Limited

OPTION EXPIRY NOTICE

Marmota Energy Limited (MEU) (the Company) advises that 19,934,503 quoted options (MEUO) exercisable at 25 cents each are set to expire on 30 June 2008.

MEU has been granted a waiver from the Australian Securities Exchange Limited (ASX) from the requirement to send an option expiry notice to option holders. Accordingly, an option expiry notice will not be sent.

There is no obligation on option holders to exercise their options. However under paragraph 6.1 of Appendix 6A of the ASX Listing Rules, the Company is required to advise option holders of the information contained in this announcement.

Expiry Date

Your options effectively expire at 5:00pm (CST) on Monday 30 June 2008. Quotation of these options will cease on the Australian Stock Exchange at the close of trading on Monday 23 June 2008.

Exercise Price and Payment

The exercise price of the Options is \$0.25 per option. One fully paid ordinary share in the Company will be issued for each Option exercised. You may exercise your Options by completing your 'Exercise of Options' form and forward it together with a cheque for 25 cents per option to the Company's Share Registry, Computershare Investor Services Pty Limited, Level 5,115 Grenfell Street Adelaide SA 5000 (GPO Box 1903 Adelaide SA 5001) by no later than close of business Monday 30 June 2008. Cheques in Australian currency equivalent to the amount due on exercise should be made payable to Marmota Energy Limited and crossed 'Not Negotiable'. Any enquiries should be directed to the Share Registry on 1300 556 161 (within Australia) or +61 3 9415 4000 (outside Australia).

Consequence of Non-Payment

Options not exercised by 30 June 2008 will expire with no value and no further entitlement will exist.

Underwriting

No underwriting agreement exists in respect of these options.

Share Prices

The latest available market sale price on the Australian Securities Exchange Limited before the date of this notice for fully paid ordinary shares in Marmota Energy Limited (ASX code 'MEU') being the underlying securities to which the Options relate to was 11 cents on 28 May 2008.

The highest and lowest market price for fully paid ordinary shares in Marmota Energy Limited (ASX code 'MEU') being the underlying securities to which the Options relate to during the three months immediately before the date of this notice and the respective dates were as follows:

Highest Price:	13 cents on 4, 7, 8, 9 and 10 January 2008
Lowest Price:	7.5 cents on 17 March 2008

Yours Faithfully

RM Kennedy
Chairman